Computers In Business SECTION 3

Budgeting Activities

BUDGETING ACTIVITIES Standard 0000-03 Objective 0302 & 0304

OVERVIEW: Students will track their spending for 1 week.

ACTIVITIES:

• Have students track their spending for 1 week. See worksheet on the following page.

| Name | | |
|------|--------|--|
| | Period | |

Activity: Students will keep tract of how they spent their money for 1 week.

Money Tracker

| Day | What did I spend my money on today? |
|-----------|-------------------------------------|
| Sunday | |
| Monday | |
| Tuesday | |
| Wednesday | |
| Thursday | |
| Friday | |
| Saturday | |

BUDGETING ACTIVITIES Standard 0000-03 Objective 0302 & 0303

OVERVIEW: Students will compute a budget.

ACTIVITIES:

- Students will to review the calculations of a budget.
- Students will understand fixed and variable expenses. See attached worksheet.

| Name | | |
|------|--------|--|
| | Period | |



| Sue | Mark | Alice |
|----------------------------|-------------------------|----------------------------|
| Take-home Pay = \$585 | Take-home Pay = \$1,558 | Take-home Pay = \$2,280.52 |
| Bus = \$6.50 | Rent = \$450 | Mortgage = \$1,000 |
| Entertainment = \$50 | Car = \$210 | Car = \$325 |
| Food = \$20 | Food = \$250 | Food = \$75 |
| Clothing = \$30 | Insurance = \$200 | Insurance = \$250 |
| | Clothing = \$50 | Clothing = \$50 |
| | Entertainment = \$200 | Entertainment = \$175 |
| Money Available = \$478.50 | Money Available = \$198 | Money Available = \$405.52 |
| | | |

- 1. Sue earns \$6.50 an hour. He takes home \$146.52 a week after taxes are withheld.
 - a. How much does Sue earn each 4-week period?
 - b. Which of Sue's expenses are fixed expenses?
 - **c.** How much does Sue spend each month on fixed expenses?

- **d.** How much money is Sue left with from her take-home pay after deducting his fixed expenses?
- 2. Mark's salary is \$2,000 a month, and of that we calculated that he takes home \$1,558 each month.
 - a. Which of Mark's expenses are fixed?
 - b. Which of Mark's expenses are variable?
 - c. How much does Mark spend altogether in expenses each month?
 - d. After Mark pays his fixed expenses each month, what percentage of his take-home pay salary does he save each month?
- 3. Alice earns \$3,600 a month. Every 2 weeks she takes home \$1,140.26 after deductions for medical insurance, retirement, and income tax.
 - a. How much does Alice take home every month?
 - b. Which of Alice's monthly expenses are fixed expenses?
 - c. Which of Alice's monthly expenses are variable?
 - d. If Alice saves half of the money available from her paycheck every 2 weeks, how much does she save?

BUDGETING ACTIVITIES Standard 0000-03 Objective 0303

OVERVIEW: Students will become familiar about savings and

investing.

ACTIVITIES:

• Teachers and students will brainstorm together some saving tips.

• Students will set some saving goals using the following worksheet.

| Name | | |
|------|--------|--|
| | Period | |



| My Saving goals: |
|--|
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| |
| I can use these tips to save for my goals: |
| |
| |
| |
| |
| |
| |
| |
| |
| What will I do now to save for my goals? |
| |
| |
| What will I do by the end of the month to save for my goals? |
| What will I do by the end of the month to save for my goals? |
| |
| |
| What will I do by the end of the year to save for my goals? |
| what will I do by the end of the year to save for my goals: |

BUDGETING ACTIVITIES Standard 0000-03 Objective 0304

OVERVIEW: Students will learn how to create a budget and be able

to identify the different parts of a budget.

ACTIVITIES:

• Discuss with your students ways to stick to a budget.

Tips for sticking to your budget:

- 1. Shop with your budget in mind!
- 2. Plan ahead for large purchases. Negotiate when possible for high-ticket items
- 3. Avoid impulse buying
- 4. Compare prices at different stores
- 5. Track expenses

6.

• Students will create a budget using spreadsheet software (if available).

Teachers for students who don't have a student income – create a sample.

See attached sample budget worksheet and sample budget.

| Name | |
|------|--------|
| | Period |

PERSONAL BUDGET

Directions:

- 1. Enter your gross monthly income (money before taxes).
- 2. Enter your take-home income (money after taxes and other withheld expenses).
- 3. Enter your fixed and variable expenses.
- 4. Enter what you want to put in savings.

Example:

| Category | Dollar Amount |
|-------------------------------------|---------------|
| Gross Monthly Salary | \$960.00 |
| - Taxes and other expenses withheld | -\$192.00 |
| = Monthly Take-home Income | \$768.00 |
| Fixes Expenses | |
| - Car Payment | -\$250.00 |
| - Car Insurance | -\$100.00 |
| Variable Expenses | |
| - Gasoline | -\$40.00 |
| - Lunches | -\$100.00 |
| -Entertainment | -\$100.00 |
| -Clothing | -\$50.00 |
| Savings | -\$50.00 |
| = Money Available | \$78.00 |

What makes a good personal budget?

- Your ability to cover basic expenses
- Cash for the unexpected
- Savings for the future

| Name | | |
|------|--------|--|
| | Period | |

Personal Budget

Follow the steps and use the table below to create your own budget.

- 1. Enter your gross monthly income (money before taxes.)
- 2. Enter your take-home income (money after taxes and other withheld expenses).
- 3. Enter your fixed expenses.
- 4. Enter your variable expenses.
- 5. Enter what you want to put in savings.

| Description: | Dollar Amount: |
|------------------------------------|----------------|
| Gross Monthly Salary | |
| -Taxes and other expenses withheld | |
| =Monthly Take-home Income | |
| Fixed Expenses (list) | |
| - | |
| - | |
| - | |
| - | |
| - | |
| Variable Expenses (list) | |
| - | |
| - | |
| - | |
| - | |
| - | |
| Savings | |
| = Money Available | |

^{****}For students who do not have an income use the teachers example. ****